EXHIBIT F

HEAT RATE PAYMENT AND HEAT RATE BONUS

The Heat Rate Payment and Heat Rate Bonus shall be calculated using the following formula. If the HRV is a negative value, then the HRV is the Heat Rate Payment. If the HRV is a positive value, then the HRV is the Heat Rate Bonus.

$$HRV = GCOST \times [(((KWH \times GTE) / 1,000,000) + (KLB \times GTS)) \text{ minus } GAS]$$

Where:

HRV means Heat Rate Value in Dollars

GCOST shall be the cost of gas in $/MMBtu used to calculate the fuel component of the operating fee for Energy and Steam Heat Service as invoiced to Caterpillar that month by CILCO under the Service Agreement. In the event that the Service Agreement shall have terminated, then GCOST shall be determined in such manner as the Parties may agree at the time of such termination.

KWH means the total quantity of Energy delivered to CILCO during the Month in kWhs

GTE means 6800 Btus/kWh

KLB means the total quantity of Steam Heat Service provided during the Month in Klb

GTS means 1.361 MMBtus/Klbs

GAS means the total quantity of Gas consumed during the Month by the Facility (excluding Start Gas and Gas used to provide Chilled Water Service) in MMBtus